

**PAYMENT FOR
FOSTER
FAMILY/RELATIVE
CARE**

Payments for the care of a child in a placement from child care fund (CCF), state ward board and care (SWBC), title IV-E, limited term emergency foster care and Unaccompanied Refugee Minor (URM) fund sources are generated through service authorizations that are routed, approved and amended in MiSACWIS. For age appropriate rates see [FOM 905-3, Foster Care Rates](#).

The entire rate paid to the placement agency foster care (PAFC) provider for maintenance, clothing allowance and any determination of care (DOC) shall be paid by the PAFC provider to the foster families/relatives providing the care.

**When a Foster
Parent/Relative
Moves**

When the Michigan Department of Health and Human Services (MDHHS) is notified that a foster parent/relative is moving and wants to continue as a foster parent/relative placement, a referral must be made immediately requesting the provider's new address be licensed/approved. The referral for a licensed provider would be made to their licensing worker and an unlicensed relative would contact their foster care worker. There may be a gap in payment until the new address is licensed. For a foster parent/relative who moves out-of-state, additional processes must be followed. The foster parent/relative must also complete their address change in SIGMA Vendor Self Service (VSS).

Note: There will most likely be an extended gap in payments for unrelated foster parents until the new out-of-state address is licensed. If there is a gap in licensure, payment is not made for the time the unrelated foster parent is not licensed. There should not be a gap in payments for unlicensed relatives because their payments can continue and are not related to the license.

**Maintenance Rate
for Foster Care**

The maintenance rate refers to the scheduled rate that is to be paid for a child who requires no extraordinary care in relation to age

other than what is normally expected of children placed in foster care.

The amount of the maintenance rate was established based on the United State Department of Agriculture (USDA) study of the average cost of raising a child in the Midwest for a low-income family. The payment is a reimbursement, not a wage or salary, to cover ongoing, routine, and normally expected costs including:

- Food, shelter, personal care, transportation and over-the-counter medical supplies not available through Medicaid. This is considered the room and board portion of the maintenance rate.
- The child's weekly allowance and out-of-pocket expenses such as magazines, books, recreation, gifts, contributions, expendable school supplies, etc. are the allowance and personal incidentals portion of the maintenance rate. The exact determination of how much and on what basis the foster family/relative provides the allowance to the youth is a matter for joint family and worker determination.
- The portion of the maintenance rate intended for clothing is for incidental clothing needs through the year. More details regarding additional clothing allowance payments can be found in [FOM 903-9, Case Service Payments](#).

There are instances in which the maintenance payment does not cover unique situations of foster children; most common is the child who enters foster care from his/her own home without adequate clothing. A provision in policy is made to purchase initial clothing by means of a case service payment. It is not expected that the foster parent/relative would have to purchase an entire wardrobe from the per diem; however, it is expected that the foster parent/relative will maintain that wardrobe with necessary replacement clothing using some of the per diem rate and the semi-annual clothing allowance; see [FOM 903-09, Case Service Payments](#).

Details regarding additional available case service payments can be found in [FOM 903-9, Case Service Payments](#).

**DETERMINATION OF
CARE (DOC)
SUPPLEMENTS FOR
FOSTER CARE**

A determination of care (DOC) supplement may be justified when extraordinary care or expense is required of the foster parent or relative who is eligible for a foster care payment. The appropriate DOC form is to be completed in MiSACWIS for every child in a paid foster home or relative placement. DOC forms are to be completed **with** the active involvement of the foster parent/relative provider. **The completion of the form is required and not contingent on a request being received from the provider.** If the foster parent/relative is completing the additional tasks identified to meet the child's needs, they are eligible for the DOC rate. Timely completion of the DOC forms and ensuring that the foster parent/relative providers are paid the appropriate rate is an important task of the foster care worker.

Note: The foster parent/relative provider and the worker may not agree on what DOC level should be requested based on the assessment on the completed DOC form. The foster parent/relative provider's request is what must be submitted. The worker may add comments to the DOC form that they do not agree with the assessment and list the reasons why.

The receipt of Social Security Income (SSI) benefits by a child in a paid placement still requires a DOC assessment. The child does **not** automatically qualify for a DOC due to receipt of SSI. When a DOC supplement is due to a disability, screen the youth for SSI eligibility; see [FOM 902-12, Government and Other Benefits](#).

When assessing the potential eligibility for a DOC supplement, complete the DOC form that most closely fits the case situation:

- [DHS-470, Assessment for Determination of Care for Children in Foster Care \(Age One Day - 12 Years\)](#), for children ages one day through 12 years requiring extraordinary care or expense.
- [DHS-470A, Assessment for Determination of Care for Children in Foster Care \(Age 13 and older\)](#), for children age 13 and over requiring extraordinary care or expense.
- [DHS-1945, Assessment for Determination of Care for Medically Fragile Children in Foster Care](#), for children who are

medically fragile (all ages) or who have a documented medical condition which threatens health, life, or independent functioning.

A DOC assessment must be completed in MiSACWIS at the initial case opening **and** at least every six months or if the child's care needs or level changes or the child moves. This applies to all foster care/relative providers eligible for payment, regardless of the fund source. In all case situations, the foster care worker is to involve the foster care/relative provider in completion of the form and the foster care/relative provider must sign the assessment form. Each signed DOC assessment must be uploaded in MiSACWIS and filed in the child's case record. The foster parent/relative placement must also be provided with a copy of the DOC assessment once it has been signed by MDHHS. The DOC assessment contains the information regarding the foster parent/relative placement's right to an appeal if they do not agree with the approved DOC.

DOC rates are **not** to be authorized for any time period that exceeds six months. If a DOC supplement continues to be necessary at the end of the authorized time period, a new assessment must be done, appropriate approval obtained, and the payment authorization completed.

Justify the continuation of the level for a DOC on the [DHS-470](#), [DHS 470-A](#), or [DHS-1945](#). Since the DOC rate is based on the extraordinary care required of the foster care provider, all tasks and additional expenses must be documented in detail under the caregiver activities section of the DHS-67, Children's Foster Care Parent Agency Treatment Plan and Service Agreement. These needs and activities must be consistently addressed in the child's current status section of all service plans.

The DOC supplement must **not** include activities provided by a third party (person) for child care, nursing care, respite care, assisted care, etc. The child day care program is to be used for child day care needs and the medical assistance program for nursing care, etc.

Note: Children receiving the additional rate for the serious emotional disturbance waiver (SEDW) or treatment foster care are not eligible for a DOC. For additional information on SEDW and treatment foster care; see [FOM 802, Mental Health, Behavioral and Developmental Needs of Children Under the Supervision of MDHHS](#).

**DOC
Documentation**

The parent agency treatment plan should reflect the foster parent activities presented in the DOC request form. The DOC request form is a separate document that does not need to be verified by reviewing social work contacts, therapy reports, and other school and/or medical documents contained in the case file. While completing the DOC request form, these activities may be verified through discussions with the child, foster parent, relative, school or therapist which would then also be documented in parent agency treatment plan. Submission of documentation beyond what is already maintained in the case file is only required for a DOC level IV.

Example: The foster parent/relative, therapist or the child report that the provider participates in therapy with the child weekly. A letter from the therapist documenting the foster parent/relative's involvement is not required solely for the approval of the DOC form.

Example: The foster parent/relative report they are working with the school. The details regarding their involvement is documented in the child's service plan. Additional documentation from the school may be included in the child's case file but is not required solely for the approval of the DOC form.

Example: The foster parent/relative provider discuss the child's behavioral needs at the monthly home visits. While the foster parent/relative may be completing behavior charts for the therapist or school, the submission of behavior charts are not required solely for the approval of the DOC form.

A copy of the approved DOC form must be sent to the foster care/relative provider **and** the PAFC provider if applicable.

**Begin/Effective
Date of Request**

The time frames listed below are the expected standard of promptness for this process. If the worker does not complete these steps timely, this does not negatively impact the payment to the foster parent/relative. The begin/effective date should still reflect the appropriate date for the DOC payment but also include an explanation as to the delay.

- The begin/effective date for an initial DOC is the date of placement. The expectation is that the primary foster care

worker will submit the completed DOC to their supervisor (for MDHHS) or the MDHHS local office (for PAFC) within the first 30-calendar days of a child's placement.

- The begin/effective date for a DOC renewal is the date following the end date of the last DOC approval. There should not be a gap between the DOC approvals. The expectation is that the primary foster care worker will submit the completed DOC to their supervisor (for MDHHS) or the MDHHS local office (for PAFC) within 30-calendar days of the end date on the previously approved DOC.
- The begin/effective date for an escalation or de-escalation of the DOC (prior to the renewal date) is the date the change in circumstance occurred. The expectation is that the primary foster care worker will submit the completed DOC to their supervisor (for MDHHS) or the MDHHS local office (for PAFC) within 30-calendar days of the change in circumstance.
- When the resolution of a request for a change in level occurs, the DOC rate is retroactive to the begin/effective date on the DOC form.

Note: The foster care/relative provider, PAFC or MDHHS worker may initiate an administrative review if not notified timely of the DOC decision. It is expected that an administrative review will be initiated for any DOC decision that is not received within 45 calendar days from the begin/effective date of the DOC request form.

Duration of DOC

A DOC can be approved for up to 180 days. No DOC is to be approved for longer than 180 days.

When completing the DOC and it is known that the foster parent/relative provider involvement is not expected to last 180 days the end date can be approved for less than the full 180 day maximum.

For a child with an approved DOC, a de-escalation should be discussed with the foster care/relative provider at length to ensure that the child does not meet other criteria to maintain the approved level.

Example: A child is approved with an begin/effective date of 4/1 with some school activities included in the DOC assessment. The DOC should not be ended for the summer or other school breaks.

Foster Care/Relative Provider Approval of Rate

All completed/approved DOC forms must be provided to the foster care/relative provider. The direct worker must complete the [DHS-668, Notification of Determination of Care \(DOC\) Decision](#), with the foster care/relative provider within 30-calendar days of the DOC decision. The [DHS-668](#) is required for every DOC form completed and must be uploaded in MiSACWIS along with the signed DOC form.

Administrative Review Process

If the foster care/relative provider disagrees with the DOC determination or is not notified of a decision in a timely manner, an administrative review process must be initiated within 10 business days of the [DHS-668](#) signature date.

For PAFC supervised family foster care, the agency must initiate the request for the administrative review on behalf of the foster parent or relative placement. The foster parent/relative placement has a right to the administrative review. The request must be submitted even if the PAFC provider agrees with the MDHHS decision.

Administrative review decisions by the Federal Compliance Division (FCD) regarding DOC requests up to and including level III are final. Once an FCD decision is received, the local MDHHS office must implement any change in DOC, as determined by FCD.

Note: The Business Service Center (BSC) director's decision on a DOC level IV is final and not eligible for the administrative review process.

**Placement Agency
Foster Care
(PAFC) Supervised
Process**

If the foster parent/relative provider signs the [DHS-668, Notification of Determination of Care \(DOC\) Decision](#), requesting an administrative review, the following steps are to be taken.

1. PAFC supervisor requests an administrative review on behalf of the foster parent/relative provider by submitting the [DHS-669, Local MDHHS Response to Administrative Review Request for Determination of Care Denial](#), to the MDHHS worker's supervisor. This request must be sent within 5 business days of receipt/request by the foster parent/relative provider.
2. The local MDHHS office has 10 business days from receipt of the [DHS-668](#) to review the DOC assessment and complete the [DHS-669](#) form. If, after review, the local MDHHS office now agrees with the foster parent/relative provider, the local MDHHS office must authorize all necessary changes to the assessment and payments. No further administrative review action is necessary. A new [DHS-668](#) is required to reflect the approved rate.
3. If the local MDHHS office agrees with the original assessment the local MDHHS worker's supervisor must forward the DOC assessment, [DHS-668](#) and [DHS-669](#) to FCD at mdhhs-federalcompliance@mdhhs.gov.
4. FCD has 10 business days to review the administrative request from the local MDHHS office. FCD will notify the agency and local MDHHS director of the decision using the [DHS-670, Federal Compliance Division \(FCD\) Decision to Administrative Review Request for Determination of Care \(DOC\) Denial](#), form.
5. Once an FCD decision is received, the local MDHHS office must implement any change in DOC, as determined by FCD.

**State Agency
Supervised
Process**

If the foster parent/relative provider signs the [DHS-668, Notification of Determination of Care \(DOC\) Decision](#) requesting an administrative review, the following steps are to be taken.

1. The MDHHS foster care worker submits the [DHS-668](#) to their supervisor.
2. The local MDHHS office has 10 business days from receipt of the [DHS-668](#) to review the DOC assessment and complete the [DHS-669, Local MDHHS Response to Administrative Review Request for Determination of Care Denial](#). If, after review, the local MDHHS office now agrees with the foster parent/relative provider, the local MDHHS office must authorize all necessary changes to the assessment and payments. No further administrative review action is necessary. A new [DHS-668](#) is required to reflect the approved rate.
3. If the local MDHHS office agrees with the original assessment the local MDHHS worker's supervisor must forward the DOC assessment, [DHS-668](#) and [DHS-669](#) to FCD at MDHHS-federalcompliance@division@michigan.gov.
4. FCD has 10 business days to review the administrative request from the local MDHHS office. FCD will notify the agency and local MDHHS director of the decision using the [DHS-670, Federal Compliance Division \(FCD\) Decision to Administrative Review Request for Determination of Care \(DOC\) Denial](#).
5. Once an FCD decision is received, the local MDHHS office must implement any change in DOC, as determined by FCD.

Determination of Care (DOC)-Level IV

If the child's DOC level meets or exceeds level III on the DHS-470, DHS-470A, or DHS-1945, the foster parent/relative provider and supervising agency/MDHHS staff may request an exception for a level IV child specific DOC supplement.

Level IV DOC supplement requests require BSC director or designee approval. Approval must be based on the results of the [DHS-470](#), [DHS-470A](#) or [DHS-1945](#), and documentation submitted with the request. Level IV DOC requests are used to reimburse the foster care provider for meeting the child's extraordinary care needs. The DOC level IV is a rate approved by the BSC director or designee. The maximum allowable foster parent/relative DOC supplement is \$80 a day.

The request for approval must be submitted in MiSACWIS using the [DHS-470](#), [DHS-470A](#) or [DHS-1945](#), documenting the

extraordinary care and supervision required, and must **detail how the reimbursement amount was determined**. The request must include a description of any other services and payments being provided for the child's care; for example, assisted care, nursing services, day care, etc. Activities completed by another person cannot be included in the DOC assessment.

Example: An assisted care provider is in the home for eight hours per day to assist with feeding. The foster parent cannot claim eight hours of feeding assistance.

Copies of the documentation supporting the DOC supplement must be scanned into MiSACWIS and attached to the DOC task within the service authorization and in the child's case record.

Note: Documentation may include any of the following:

- Hospital/medical records/doctor's statement(s).
- Psychiatric evaluation.
- Psychological evaluation.
- Initial service plan/updated service plan.
- Foster care provider logs.
- School records/evaluations/individual education plan.
- Institutional discharge summaries.

Following the BSC director's approval, the request must be routed by either the MDHHS local office or BSC to the FCD to process payments.

Note: Reauthorization requests for DOC level IV must be submitted 30-calendar days in advance of the expiration of the prior authorization to ensure adequate review time.

WAIVER FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE (SED WAIVER)

Community Mental Health and MDHHS determines eligibility and approval for the SEDW. A foster parent or a relative who is receiving foster care payments for a child enrolled in the SEDW Project is eligible for the \$50 per diem. The SEDW approved rate is only applicable to foster care payments.

Once the local MDHHS office receives notification from the Waiver Support Application (WSA) of the child's eligibility for the SEDW, the caseworker must complete the following steps:

- Complete the [DHS-1254, SED Waiver Payment Request and Approval](#) and obtain appropriate signatures. The behavioral health analyst signature will be completed at the time of approval.
- Complete the SEDW payment authorization in the electronic case management system. The caseworker must upload the completed [DHS-1254](#) and approval documentation into the electronic case record.
- Route the SEDW payment authorization to the behavioral health analyst in the Child Welfare Medical and Behavioral Health Division for approval. The behavioral health analyst will sign and upload the [DHS-1254](#), approve and route the SEDW payment authorization to FCD for final approval.

Note: Children receiving the additional rate for the SEDW are not also eligible for a DOC or a treatment foster care rate, see; [SEDW job aid](#) for further instructions.

TREATMENT FOSTER HOMES

Treatment foster homes are provided in limited counties by specific providers. Treatment foster home placements must be approved by the MDHHS supervisor.

Treatment foster homes have a standard daily maintenance rate of \$75. The approval for treatment foster care placement is requested through the placement exception request screens in MiSACWIS. For placements 12 months or longer, an approved [DHS-974, Treatment Foster Care Extension Request](#), must also be uploaded to the placement service authorization.

Note: Children receiving the additional rate for treatment foster care are not eligible for a DOC or SEDW rate.

TRANSITIONAL PLACEMENT PROGRAM

Note: The transitional placement program (TPP) provides shelter homes for emergency short-term placements. These homes are

managed by local county offices and are contracted through MDHHS. TPP homes have a daily rate of \$106 in addition to the standard daily rate. Placement in TPP homes must be approved by the county director. The processing of these contracts is the responsibility of the Bureau of Grants and Purchasing (BGP) in central office; see [FOM 944, Family Shelter Home: Forms and Procedures](#). Children receiving the additional rate for TPP are not eligible for a SEDW rate.

PAYMENT POLICY FOR FOSTER CARE YOUTH WITH CHILDREN IN THE SAME PLACEMENT

Children of foster care youth who are placed in the same foster care setting as their youth parent are entered into MiSACWIS differently based on the court involvement.

Scenario 1: Both parent and child are in foster care. A signed court order exists removing the child from the youth parent and MDHHS is responsible for the child's placement and care.

- Regardless of the child's placement, an initial funding determination must be completed to assess the child's title IV-E eligibility independent from their youth parent.
- The child's placement is entered as the actual placement even if the child is placed in the same home as the child's youth parent.
- The child's placement is not entered as a parental home placement unless the court has ordered the reunification.
- The child will have their own service authorization and payment history.
- The ward child add on is not used in MiSACWIS.
- If the child's case is managed by a placement agency foster care (PAFC), the administrative rate is paid through the child's service authorization.

Scenario 2: Only the parent is in foster care. A signed court order does not exist removing the child from the youth parent

and the child remains in the care of their parent and MDHHS is not responsible for the child's placement and care.

- The child does not have an independent initial funding determination since they are not removed from their youth parent.
- The child does not have their own case in MiSACWIS.
- The child's payment is entered as a ward child add on to the youth parent's service authorization. This allows the foster parent to receive an additional payment for the child.
- No administrative payments are made to the PAFC for the child since they do not have an independent court case.
- If the youth parent moves to another placement that is not appropriate for the child or is absent without making prior arrangements for their child, Centralized Intake (CI) must be contacted. The child cannot remain in a foster home without prior arrangements with the youth parent or a court order authorizing the child's removal. MDHHS does not have any legal authority to place or make decisions for the child without a court order.
- **Example 1:** The youth parent goes to the hospital for a few days and made arrangements with all parties for the child to stay with the foster parent. No further contacts need to be made and the foster parent continues to receive payment through the bed hold process for the youth parent.
- **Example 2:** The youth parent leaves the home without the child and does not return as expected. The child cannot remain at the foster home while the youth parent is absent without legal permission (AWOL) without a court order. No arrangements were made prior to the youth parent's departure and CI must be contacted to further investigate.
- If the child is later removed through a court order, follow scenario 1 above. The child should have their own case established in MiSACWIS.

Case Service Payments

Children of youth parents are eligible for case service payments. If the child is being paid through the ward child add on process, the case service must be authorized using the youth parent's information in MiSACWIS; see [FOM 903-9, Case Service Payments](#).

Holiday Allowance

A holiday allowance is not auto generated for a child being paid through the ward child add on process. This must be added as a case service and manual payment.

Clothing Allowance

The semiannual clothing allowance for the youth parent's child is done automatically and is payable to the foster parent/relative (or agency if appropriate).

If an initial clothing is necessary, a case service authorization for the initial clothing allowance can also be requested in MiSACWIS. For a child being paid through the ward child add on process, the case service authorization for the initial clothing order is to be issued in the youth parent's name with the notation in the comments section that this is the initial clothing allowance for the child of the youth parent.

Note: No DOC is paid for the youth parent's child who is being paid through the ward child add on process. A child's maintenance rate is included for each child. A Family Independence Program (FIP) grant for the child's personal needs cannot also be established.

Child's Medical Assistance Eligibility

It is necessary to establish a medical assistance (MA) case for the youth parent's child(ren) who are being paid through the ward child add on process. Bridges Eligibility Manual (BEM) item 145 states that a newborn is automatically eligible for MA the month of birth if, for his/her date of birth, his mother is eligible for MA and receives MA coverage. Automatic eligibility may continue through the month of the newborn's first birthday; see [BEM 145, Newborns](#).

A newborn who meets the above criteria is eligible for MA. The foster care worker or foster parent/relative provider should assist the youth parent with ensuring the newborn has MA established. This may be done at the hospital or at the local MDHHS office.

Child Care Services

If the foster youth parent is in school, or employed and the foster parent/relative is not providing the child care services for the child(ren), payment for child care may be available through the department's child care services program. The foster youth parent must first complete the application process for the child care services program at the MDHHS local office and meet the eligibility criteria. If the youth parent is not eligible, Youth in Transition (YIT) is a secondary option.

If the child is placed directly with the foster parent/relative, the foster parent/relative must apply for child care services as needed.

Independent Living for youth age 18 or older with children

Independent living (IL) payments cannot be authorized to the youth parent if they are receiving Family Independence Program (FIP) assistance for themselves. If a youth parent, age 18 or older, and his/her child(ren) are living independently or with an adult who has no supervisory responsibility for the youth parent, the youth parent may apply for a FIP grant for his/her child(ren). If MiSACWIS shows an error and will not allow FIP and IL payments in the same month, route the placement service authorization to the Federal Compliance Division in MiSACWIS.

Youth Parents under the age of 18

Independent living (IL) payments cannot be authorized to the youth parent if they are receiving FIP assistance for themselves. This policy, located in BEM 201, applies to youth parents under the age of 18 with dependent children in their care. If the youth parent and his/her child(ren) are not living in a licensed foster care situation, they must reside in an adult supervised setting to qualify for FIP. The youth parent may apply for a FIP grant for their child(ren). If MiSACWIS shows an error and will not allow FIP and IL payments

in the same month, route the placement service authorization to the Federal Compliance Division in MiSACWIS.